Hike in LPG Prices

† 885. PROF. R-.B.S. VARMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state;

(a) whether it is a fact that the prices of LPG have been hiked recently;

(b) if so, the reasons therefor;

(c) whether Government propose to check sudden hike in the prices of LPG; and

(d) if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURALGAS (SHRIE. PONNUSWAMY); (a) Yes, Sir. The ex-storage point price of LPG (domestic) was last revised w.e.f. midnight 22nd/23rd March, 2000.

(b) to (d) The Government had decided in November, 1997 that subsidy on LPG (domestic) will be reduced in phases to reach the level of 15% of the import parity price by 2000-01. As per the decision, the subsidy is to be transferred to the fiscal budget from the year 2002 onwards.

Benefits to Oil companies under Administered Pricing Mechanism

886. SHRI P.K. MAHESHWARI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: (a) whether his Ministry and Oil Corporation Committee had allowed undue benefits of Rs. 6321 crores to Oil Companies under administered pricing mechanism during 1993-98;

(b) if so, the reasons therefor;

(c) whether the Comptroller and *Auditor* General has also pointed out these lapses in its latest report;

(d) if so, whether Government have fixed any responsibility against those officials who were involved in such lapses;

(e) if so the details of those officials; and

(f) the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (0 Under the Administered Pricing Mechanism (APM), Oil Companies are allowed compensation for

† Original notice of the *Question* was received in Hindi.

various components such as refining margins, marketing margins and pipeline margins etc. Such compensations are made in accordance with the various provisions duly approved by the Government from time to time under APM regime. The Ministry of Petroleum and Natural Gas and Oil Coordination Committee (OCC) have been allowing release of compensation accordingly. The Comptroller and Auditor General of India (C and AG) in its Report No. 2 of 2000 (Civil) has, however, observed that the Ministry of OCC have allowed over payment/undue benefits of Rs. 6321 crores to oil companies during the period 1993—98. As per the existing instructions in the matter, Action Taken Notes on the said Report is required to be furnished by the Ministry within four months. This time limit has not elapsed as yet.

Merger of Madras and Cochin Refineries with IOC and BPCL

887. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is a move to merge Madras refineries and Cochin refineries with Indian Oil and Bharat Petroleum, respectively;

(b) if so, the reasons therefor; and

(c) the reaction of the Ministry of Finance to such proposal?

THE"MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIE. PONNUSWAMY): (a) No, Sir.

(b) and (c) Do not arise.

Joint Sector Oil Refineries in Operation

888. SHRI C. RAMACHANDRAIAH. Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the names of joint sector oil refineries presently in operation;

(b) the details of such joint sector refineries, including their capacities and profitability;

(c) whether it is a fact that all joint sector refineries are undergoing huge losses;

(d) whether there is any possibility of such joint venture refineries becoming profitable;

(e) whether there is any danger of such refineries closing down;